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Transmittal note for: Mr. [REDACTED]

1. Attached is the final paper on our records storage space problem.
2. You will recall that during our briefing to you and the DBS on Motorized Shelving, we used the figure of \$860,000 as one vendors estimate on the cost of total conversion of our records center (providing a net gain of 40,000 cubic feet). We also indicated that the \$860,000 did not include certain unknown costs for building modification to accept the moveable shelving system (at the time we thought this would be around \$40,000). We also said that we anticipated the vendor's proposals to come down significantly...this they did and the two proposals received were in the neighborhood of \$600,000 for the Total Job...giving a net gain of 50,000 cu ft. These are not final bids, merely proposals subject to revision when bids are submitted against detailed performance specs (yet to be made).
3. In developing a cost estimate for the attached paper, Office of Logistics felt it imperative to add other items not previously included in the vendors estimates, hence as you can see from the attached breakout of costs, we are right back at the \$900,000 level for the total job. I feel that there is a lot of "water" in these figures, but Logistics is the expert and I defer to their judgement, using their figures in requesting year and funds for this project.

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